

Allen Water District

3230 North Cole Street

Lima, Ohio 45801

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"Addressing the water needs of the Community"

February 14, 2018 Board Meeting Minutes

There was an Allen Water District (AWD) board meeting held on **Wednesday February 14, 2018, at 5:00 p.m.** in the Training Center of the Allen County Sanitary Engineering Department office located at 3230 North Cole Street, Lima, Ohio.

The agenda was as follows:

1. Roll Call
2. Pledge of Allegiance
3. Additions, Changes, or Corrections to Agenda
4. Approval of AWD minutes – January 10, 2018
5. Clerk of Board Report
6. Committee Reports
7. Attorney's Report
8. Treasurer's Report
9. CPA Report
10. Old Business
11. New Business
12. Board Comments
13. Public Forum
14. Executive Session
15. Adjournment

A quorum being present, Dr. Biery brought the meeting to order at 5:03 p.m. and proceeded with the agenda.

1. ROLL CALL

Mr. Biery

Mr. Lucas

Mr. Miller

Mr. Kayatin

Mr. Murphy – Absent

Mr. Gosnell

Mr. Hartley

Member At Large

Member At Large

American Twp Representative

County Representative

Perry Twp Representative

Shawnee Twp Representative

Bath Twp Representative

STAFF

Mr. Huffman – AWD Attorney

Kimberly Stiles – Clerk of the Board

PUBLIC

Dan McPheron – Breese Road Mail Survey

Kevin Bowers and Joe Wassink of WTLW (Baty Road)

2. PLEDGE OF ALLEGIANCE

3. ADDITIONS, CHANGES OR CORRECTIONS TO AGENDA – None.

Dr. Biery stated there were a few guests and introduced Mr. Kevin Bowers of WTLW.

- American Christian Television Services, Inc at 1844 Baty Road, Lima, Ohio.
 - Mr. Bowers stated WTLW is interested in obtaining good water at their building that was built in the 1930's. They are hoping to do some renovations in the next few years. Currently on a well and well has been tested and is fine. Would like water more as a convenience. Mr. Hartley stated there are 2 options. Least expensive route is bringing the water from the south (approximately \$110k). Other option is to loop up to Neely Rd which is approximately \$200k. Mr. Hartley stated there are only a few other potential customers to share in the cost. Mr. Kayatin stated we are looking at a waterline extension agreement between the District and WTLW outlining what the District would do and what WTLW would do. Mr. Kayatin asked what WTLW would be willing to put in. Mr. Wassink stated he would have to discuss that with their Board. Mr. Kayatin stated that from a contractual standpoint, the District could come to an agreement with WTLW and do an assessment over 20 years or a combination of cash/assessments but the key will be how much money is the station (WTLW) willing to be responsible. Mr. Wassink asked what the interest rate would be. Mr. Huffman asked what OWDA's rate is now. Mr. Kayatin stated that the District could finance it in house and charge maybe a couple percent interest. Mr. Wassink asked about if WTLW could find the work done at a lower rate. Mr. Kayatin stated that if WTLW completed the project, WTLW would take on the full responsibility of the debt but the District could collect a recoupment for those that connect later to that line. Mr. Kayatin stated that he thought that if WTLW did the project (meeting District specs) and turned the line over to the District, the District could not contribute to the project. Mr. Huffman stated the he thought the District could contribute to project to pay to oversize the lines. Mr. Kayatin stated it really comes out to what the station is willing to pay. The District could send WTLW some generic draft waterline agreements. Mr. Kayatin stated the District could do a design build where we don't even bid it. The District would go out and find a contractor. The contractor gets their own engineer and they design and build it for a price. There wouldn't be prevailing wage in this scenario. If the District did a design build contract, which is relatively new in the State of Ohio, the District doesn't have to bid. They just negotiate a price with a contractor. Mr. Huffman states you would publish and get proposals from contractors and then select one. Mr. Wassink asked what the initial cost to put it out for bid would be. Mr. Kayatin stated there is minimal cost to get it advertised. Mr. Huffman stated you would have to advertise. Mr. Kayatin stated WTLW should determine what they are willing to invest and see if the District is willing to do the rest.
 - Dr. Biery introduced Dan McPheron of 4520 W. Breese Road – 12 surveys sent. Survey results so far are: 6 – yes, 4– no, 2 – no response
Would the Board like to move forward with Informational Meeting? Mr. Kayatin stated we would be entertaining doing an assessment project or by waiver. Mr. Kayatin apologized to Mr. McPheron to not getting back to him on the sewer side of this inquiry sooner and stated he would be interested in doing a combined Informational Meeting. Mr. Kayatin made it clear the District would do a presentation and the ACSE would do another presentation. Mr. Miller made a motion to have an informational meeting for this potential project on Breese Road. Mr. Lucas seconded the motion. Motion carried 6-0.

4. APPROVAL OF MINUTES

Mr. Miller made a motion to approve January 10, 2018 minutes. Second by Mr. Hartley. Motion carried 6-0.

5. CLERK OF BOARD REPORT

Mrs. Stiles stated that there were 5 permit inquiries since last month's meeting:

- Matt Douglas inquiring about a permit for 3350 Shiloh Drive. This waterline was put in with the Woodbriar Waterline Project and the permit was paid in full by previous owner in March 1999. This would be a no charge permit through the AWD.
- Josh with Miller Contracting inquiring about permit fee for parcel on south side of Bluelick Road between N. West Street and Berryhill. They may be splitting the parcel and looking to build a warehouse/office. This is not in the AWD but the line may be the District's. Mr. Hartley and Mr. Lucas both think this is a City line that runs between the railroad tracks and N. West Street.
- Renee Riggle of 1715 Camp Ave inquiring about permit fee for parcel 36-2312-02-014.000. This waterline was put in by the County and signed over to the AWD. This would be a no charge permit through the District as CDBG funds were used to install this line.
- Lori from Schumacher Homes inquiring about a permit for 2638 Autumn Ridge. Quoted her the \$2,950 (\$2,500 for CPF and \$450 for the SCC for a 5/8" meter).
- Lori from Schumacher Homes inquiring about a permit for 2601 Summer Rambo Court. Quoted her \$2,950 (\$2,500 for CPF and \$450 for the SCC for a 5/8" meter).

Mrs. Stiles stated that 2 Capital Permits were issued:

- Buffalo Construction purchased water permit for parcel 27-2900-03-006.001 for the Dollar General being built in Cairo, Ohio on Ottawa Road (S.R. 65). The waterline was put in as part of the Eagle Rail Waterline Project and the cost to connect was \$2,500 per ESFU plus \$10.76 per front foot. This parcel has 226.43 front feet so the total cost of the permit was \$4,936.39 (\$2,500 + \$10.76/ff x 226.43 ff). Mr. Kayatin mentioned tracking any permits received with Eagle Rail to see when the District is made whole on their investment. Mr. Kayatin stated the District and ED funded the Eagle Rail project.
- Permit issued for 2591 Alexandria Drive to a James Neu. He is building a home on this parcel 46-1003-04-014.007 in the Monticello subdivision. The permit was \$2,950 which consisted of \$2,500 for the Capital Permit Fee and \$450 for the Supplemental Capital Charge for a 5/8" meter.

Mrs. Stiles stated there was one extension inquiry since our last meeting:

- Tony Clark inquiring about cost to obtain water at 2293 N. Cable Road (the old Crawford's Furniture building). He was looking to start a non-profit dog shelter. Rough estimate of \$40,000 given to Mr. Clark to extend 12" line approximately 500 feet from Gatehouse to that property. Mr. Clark decided he was no longer interested.

District Policies and Procedures – Mr. Kayatin and Mrs. Stiles have reviewed the District travel policy and will have Mr. Rennick review prior to being distributed.

Laptops – County is in the process of setting these up for Mr. Miller and Mrs. Stiles.

Township Appointments – Appointments are expiring for Perry and Bath Townships 4/30/18. Letters will be sent to both townships along with trustee job description outlining expectations.

COMMITTEE REPORTS

Audit and Finance (Mr. Miller) – Completed with Treasurer's Report.

By-laws, Policies and Procedures (Mr. Lucas) – Nothing to report.

Contracts and Agreements Committee (Dr. Biery)

Qualifying Engineers for 2018

- After further review, the District has decided to qualify all four engineering firms that submitted Statements of Qualifications: Access, Kohli & Kaliher, Poggemeyer and PRIME AE. All firms have been notified.

East Regional Waterline Improvement Project

Funding

- Meeting held with Project Funding Committee on January 18th at 11am. Meeting Minutes are attached in Reference Packet.
- SCEIG Meeting in Columbus on February 9th to explore another funding option: Army Corp Money. This funding is very unpredictable but by completing the SCEIG Application, the District is automatically included in their list of projects to possibly fund. Mrs. Stiles explained that the heads of several funding agencies were in attendance and the District talked about the East Regional Project and then each funding agency gave an idea of what kind of funding the District could expect. District is hoping for more grant/loan money from USDA to make this project affordable to the customers.
- Most recent Potential Funding Scenario received from Greg Otey outlines the funding sources and amounts expected from each. Mrs. Stiles pointed out the \$25 amount listed on the Funding Scenario under City of Lima Water Usage/Contract is probably low. Mr. Otey thinks this may have been a special deal with the City of Lima but Mr. Kayatin thinks this number is closer to \$40/month and that is without the District fee.
- Should AWD forgive District Fee for this project or a portion of the District fee for a certain period of time in order to lower the monthly water bill? Is this only for those inside the villages? Mr. Kayatin stated that the original thought as part of the MOU with the villages was to forgive the District fee for a certain amount of time to make the monthly fee for the next 5 or 10 years more manageable. As part of the District's participation in the project, is the District willing to do this for a certain period of time? Mr. Huffman states 6119 has the ability to charge rates and does not have to treat all District customers the same. Mr. Hartley asked if this District forgiveness was the District Contribution and Mr. Kayatin stated no. Mr. Hartley suggested forgiving the fee for 5 or 10 years and then gradually increasing the District Fee over the next however many number of years. Mr. Kayatin talked about speaking to the City of Lima again about their contribution amount maybe at a later date. Board agreed to forgive the District fee for 10 years and to increase from that point. Details can be approved later. Mr. Kayatin stated that if the District doesn't do this, the project may not go through.
- Village representatives have received the water testing kits and each will test 10 addresses in their respective village. Mr. Caprella may find someone else in the village to complete the well testing. Mrs. Stiles asked Mr. Kayatin if Alloway does not complete the samples. Mr. Kayatin thought someone from Cairo did it for their project. Mrs. Stiles will find out for sure.

Other

- Harrod would like to have a Town Hall Meeting on Monday, February 26th at 7pm at the Community Center to discuss the East Regional Waterline Project and would like the District present. Specifically, they would like to focus on explaining the importance of positioning the Village of Harrod to be eligible for the most funding possible (mandatory connections). Mrs. Stiles explained that Mr. Andy Caprella, the representative for the Village of Harrod, has contacted her and he will no longer be at the February 26th meeting. Mr. Kayatin stated he would like Mr. Caprella to e-mail the District bullet point discussion items that he would like to cover at the 26th meeting.
- At some point a Cooperative Agreement will need composed between the Allen Water District, Village of Lafayette and Village of Harrod. Kim will work with Mr. Kayatin to outline each party's responsibilities so Mr. Huffman can frame an agreement. Mr. Kayatin stated that draft needs to be ready by April when the District goes to Harrod and Lafayette in April.

County Waterline Lease Agreement

- Meeting with Mike Caprella on January 17th to discuss various issues. Meeting with Mayor and Mike Caprella on Tuesday February 20th at 2:30pm to discuss County Waterline Lease Agreement and possible capping of Contract Fee for AWD customers. Follow up with Mike on action items from January 17th meeting. Dr. Biery stated he thought the Mayor and Mike Caprella did not want the District to put a fee on the County customers if the District takes over the lines. Mr. Huffman pointed out that repairs can be assessed and that some of the waterlines may not be in the best shape. Mr. Lucas stated that he thought previously they had talked about not putting a District fee on these County customers. Mr. Huffman asked Mr. Kayatin who now would be responsible for a line that breaks (on a County line). Mr. Kayatin answered the City of Lima would pay if it is a ductile iron line because the COL dictated ductile iron be used. Mr. Kayatin stated that the County is responsible for the pvc lines and there are some lines out there that aren't pvc or ductile (probably 2 or 3 subdivisions like this) that could break at any time and the County would be responsible. Mr. Kayatin stated that the point is that the Commissioners will be saddled with putting on a County fee to cover these costs some day. First, the District needs to find out from the City of Lima if they're willing to be these County customers in the contract. If so, the District needs to talk to the Commissioners to see if they could lease the lines. Mr. Kayatin has told the Commissioners that a District fee would probably not be put on initially. Mr. Kayatin also stated that the District has quite a bit of debt coming off in the upcoming years. Mr. Huffman suggested lowering the District fees and putting a small charge on the County customers. Mr. Kayatin stated that to immediately put a District fee on the County customers would not be a good idea.

Diller Road

- 8 waivers have been signed so District will only be covering the cost of two properties.
- Discuss funding source for Diller Road – Mr. Miller suggested we wait on this.
- If project comes in under budgeted amount, should the savings be distributed equally between the District's contribution and the estimated assessment amounts? Mr. Kayatin thought we left this open to pass the savings to both those connecting and the District. Mr. Huffman will pay attention to this when completing the Resolution of Necessity.

Projects Committee (Mr. Hartley)

- Raabe Ford
 - City of Delphos has agreed to the MOU and the District is waiting to receive the signed MOU prior to purchasing the flushing station and contacting the contractor. The MOU states that the City of Delphos would be responsible for the operation and maintenance of the station once it is installed, in perpetuity.
 - Fourth Street I-75 Boring.
 - Requested another estimate for a 16" line that is required. Previous estimate for 8" line. This is an investment to extend water to east Allen County. Mr. Kayatin stated we wouldn't move forward with anything if the people on Fourth Street aren't interested. Mr. Kayatin stated he didn't think the City of Lima would pitch in if the District doesn't have a project. Mr. Lucas thought a 16" line is a big line to serve 4th Street and Mr. Hartley explained that this is a trunk line to serve eastern Allen County. Mrs. Stiles asked if she should complete a mail survey. Mr. Kayatin asked we've had interest and Mr. Hartley stated there have been 2 verbal requests. Mr. Hartley stated he was hesitant to look at the Fourth Street due to the sewer assessment still in effect on 4th Street residents. Mr. Miller made a motion to complete a mail survey for that area. Mr. Lucas seconded that motion. Motion carried 6-0.
 - Agerter Road – Greg Roebuck
 - Water request received to serve 6021 Agerter Road. Per meeting with Mike Caprella, the pressure is good here and an 8" line would be sufficient.
 - Kim sent out a mail survey for this area. Mr. Hartley stated this is about ¾ of a mile from the connection point. Potential to serve approximately 25 homes.
 - Possible loop between a private 10" line at Meijer and an 8" District line on Heartland in front of Menard's.
 - Previous break on Elida Road just west of Eastown in front of GFS led to water being shut off to a large number of customers. This would be a back feed to supply water to the previously effected area for a short period of time. An easement would be needed with Meijer.
 - Discussed with Larry Huber at City and will discuss further with Mike Caprella at 2/20 meeting.
 - Kim is reaching out to Meijer Store Manager to set up a short meeting.
6. **ATTORNEY'S REPORT** – Nothing to report.
7. **TREASURER'S REPORT** – Mr. Miller stated \$25,000 moved to Capital Outlay expense to cover Raabe fix. Next month we'll have January and February figures.
- MOTION MADE BY MR. MILLER TO APPROVE RESOLUTION #18-005 TO ACCEPT BHM CPA GROUP INC'S 2018 LETTER OF ENGAGEMENT.** Second by Dr. Biery. Roll Call: Dr. Biery-yes, Mr. Lucas-yes, Mr. Miller-yes, Mr. Kayatin-yes, Mr. Murphy-absent, Mr. Gosnell-yes, Mr. Hartley-yes. Motion carries 6-0.
8. **CPA REPORT** – Nothing to report.

9. OLD BUSINESS –

MOTION MADE BY MR. MILLER TO APPROVE RESOLUTION #18-008 TO AMEND RESOLUTION #18-004 TO MODIFY THE TRUSTEES/OFFICERS COMPENSATION POLICY AND SCHEDULE TO ANNUALLY EVALUATE THE BOARDS' DUTIES AND RESPONSIBILITIES AS WELL AS THE CONSUMER PRICE INDEX AND MAKE ANY ADJUSTMENTS TO ANNUAL SALARY COMPENSATION AS DEEMED APPROPRIATE WITH A 2% INCREASE IN BOARD MEMBER COMPENSATION EFFECTIVE WITH JANUARY 2018 PAY. Second by Mr. Hartley.
Roll Call: Dr. Biery-yes, Mr. Lucas-yes, Mr. Miller-yes, Mr. Kayatin-yes, Mr. Murphy-absent, Mr. Gosnell-yes, Mr. Hartley-yes. Motion carries 6-0.

10. NEW BUSINESS –

MOTION MADE BY MR. HARTLEY TO APPROVE RESOLUTION #18-006 TO AUTHORIZE CHAIR TO ENTER INTO AN AGREEMENT WITH MR. REX HUFFMAN OF SPITLER HUFFMAN, LLP FOR LEGAL SERVICES COMMENCING JANUARY 1, 2018 FOR A PERIOD OF TWELVE MONTHS. Second by Mr. Miller. Roll Call: Dr. Biery-yes, Mr. Lucas-yes, Mr. Miller-yes, Mr. Kayatin-yes, Mr. Murphy-absent, Mr. Gosnell-yes, Mr. Hartley-yes. Motion carries 6-0.

MOTION MADE BY MR. MILLER TO APPROVE RESOLUTION #18-007 TO AUTHORIZE CHAIR TO SIGN AND ENTER INTO AN ENGINEERING CONTRACT WITH KOHLI & KALIHER, INC. FOR PREPARATION OF PLANS AND MISCELLANEOUS SERVICES FOR THE DILLER ROAD EAST WATERLINE IMPROVEMENT PROJECT. Second by Mr. Gosnell. Roll Call: Dr. Biery-yes, Mr. Lucas-yes, Mr. Miller-yes, Mr. Kayatin-yes, Mr. Murphy-absent, Mr. Gosnell-yes, Mr. Hartley-yes. Motion carries 6-0.

11. BOARD MEMBER COMMENTS: None

12. ADJOURNMENT

Motion for adjournment made by Mr. Gosnell at approximately 6:40p.m. Seconded by Mr. Miller. Motion carries 6-0.

ATTESTED:

 3/14/18
Chairman Date

 3/14/18
Secretary Date